Served: May 1, 1998



UNITED STATES OF AMERICA DEPARTMENT OF TRANSPORTATION OFFICE OF THE SECRETARY WASHINGTON, D.C.

Issued by the Department of Transportation on the 1st day of May, 1998

Fitness Determination of

EXPRESS AIR, INC.

as a commuter air carrier under section 49 U.S.C. 41738

FINAL ORDER

By Order 98-4-16, served April 15, 1998, we directed all interested persons to show cause why we should not make final our tentative findings and conclusions that Express Air, Inc., is fit, willing, and able to provide scheduled passenger service as a commuter air carrier. Interested persons were given 14 days to file objections to the order.

No objections to the show-cause order were received.

ACCORDINGLY,

- 1. We find that Express Air, Inc., is fit, willing, and able under 49 U.S.C. 41738 to provide scheduled passenger service as a commuter air carrier.
- 2. We issue a Commuter Air Carrier Authorization to Express Air, Inc., subject to the Terms, Conditions, and Limitations attached.
- 3. We will serve a copy of this order on the persons listed in Attachment A.

By:

CHARLES A. HUNNICUTT

Assistant Secretary for Aviation and International Affairs

(SEAL)

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Commuter Air Carrier Authorization

EXPRESS AIR, INC.

is authorized, subject to the provisions of Subtitle VII of Title 49 of the United States Code, the orders, rules, and regulations issued thereunder, and the attached Terms, Conditions, and Limitations, to engage in scheduled passenger air transportation operations as a commuter air carrier.

This authorization is not transferable without the approval of the Department of Transportation.

By Direction of the Secretary

Issued by Order 98-5-1

Charles A. Hunnicutt

On May 1, 1998

Effective on (See Attached)

Assistant Secretary for Aviation and International Affairs



Terms, Conditions, and Limitations

EXPRESS AIR, INC.

is authorized to engage in scheduled passenger air transportation operations as a commuter air carrier.

This authority is subject to the following provisions:

- (1) The authority to conduct scheduled passenger operations will not become effective until six (business) days after the Department has received the following documents; <u>provided</u>, <u>however</u>, that the Department may stay the effectiveness of this authority at any time prior to that date:
 - (a) A copy of the holder's Air Carrier Certificate and Operations Specifications authorizing such operations from the Federal Aviation Administration (FAA).
 - (b) A certificate of insurance on OST Form 6410 evidencing liability insurance coverage meeting the requirements of 14 CFR 205.5(b) for all of its aircraft.
 - (c) A statement of any changes the holder has undergone in its ownership, key personnel, operating plans, financial posture, or compliance history, since the date of the Show Cause Order in this case.
 - (d) A revised list of pre-operating expenses already paid and those remaining to be paid, as well as independent verification that the holder has available to it funds sufficient to cover any remaining pre-operating expenses and to provide a working capital reserve equal to the operating costs that would be incurred in three months of operations.
- (2) Pending receipt of effective authority, the holder may not accept payment of any kind (i.e., cash, check, or credit card) or issue tickets for scheduled passenger operations, and any advertisement or listing of flights by the holder must prominently state: "This service is subject to receipt of government operating authority."
- (3) The holder shall at all times conduct its operations in accordance with the requirements of 14 CFR Part 298 and any other regulations prescribed by the Department of Transportation for the services authorized here, and with such other reasonable terms, conditions, and limitations as the Department of Transportation may prescribe in the public interest.
- (4) The holder may not operate aircraft designed to have a maximum passenger capacity of more than 9 passenger seats.
- (5) The holder's authority is effective only to the extent that such operations are also authorized by the FAA.

- (6) The holder shall at all times remain a "Citizen of the United States" as required by 49 U.S.C. 40102(a)(15).
- (7) The holder shall maintain in effect liability insurance coverage as required under 14 CFR Part 205. Failure to maintain such insurance coverage will render this authority ineffective, and this or other failure to comply with the provisions of Subtitle VII of Title 49 of the United States Code or the Department's regulations shall be sufficient grounds to revoke this authority.
- (8) The holder shall maintain in effect at all times with the Department of Transportation current information on OST Registration Form 4507.
- (9) The holder may not provide scheduled passenger air transportation to or from Dallas (Love Field), Texas, except within the limits set forth in section 29 of the International Air Transportation Competition Act of 1979, as amended by section 337 of the Department of Transportation and Related Agencies Appropriations Act, 1998.
- (10) Should the holder propose any substantial changes in its ownership, management, or operations (as that term is defined in 14 CFR 204.2(n)), it must first comply with the requirements of 14 CFR 204.5.
- (11) In the event that the holder does not commence actual flying operations as a commuter air carrier under this authority within one year of the date of the Department's determination of its fitness, its commuter authority shall be revoked for dormancy. Further, in the event that the holder commences but subsequently ceases all scheduled passenger operations, the authority granted here shall be suspended under the terms of 14 CFR 204.7 and the holder may neither recommence nor advertise such operations unless its fitness to do so has been redetermined by the Department. Moreover, if the holder does not resume operations within one year of its cessation, its authority shall be revoked for dormancy.

SERVICE LIST FOR EXPRESS AIR, INC.

Mr. Cliff Langness President Express Air Inc 2635 E Airlane Phoenix Az 85034

The Honorable Gerry Whipple Mayor, City of Show Low 200 West Cooley Show Low Az 85901

Manager Flight Standards District Office Federal Aviation Administration 15041 N Airport Dr Scottsdale Az 85260

Mr Quentin Smith Manager Air Transportation Division AFS-200 Office of Flight Standards Federal Aviation Administration 800 Independence Ave SW Washington DC 20591

Mr Louis Cusimano
Flight Standards Certification
Program Office AFS-900
Office of Flight Standards
Federal Aviation Administration
PO Box 20267
Washington DC 20041

Mr John Cassady Deputy Chief Counsel AGC-2 Federal Aviation Administration 800 Independence Ave SW Washington DC 20591

Mr Dewitte Lawson Jr Deputy Chief Counsel AWP-7 FAA Western Pacific Region Hq PO Box 92007 World Postal Center Los Angeles Ca 90009 Mr David Gilliom Manager Flight Standards Div AWP-200 FAA Western-Pacific Region Hq PO Box 92007 World Postal Center Los Angeles Ca 90009

American Assn of Airport Executives 4224 King St Alexandria Va 22302

Mr Richard A Nelson Official Airline Guide 2000 Clearwater Dr Oak Brook Il 60521

Mr Jim Zammar
Dir of Revenue Accounting
Air Transport Assn
1301 Pennsylvania Ave NW Ste 1100
Washington DC 20004

Mr Allan Muten Asst Treasurer Airlines Reporting Corp 1530 Wilson Blvd Ste 800 Arlington Va 22209

Mr Timothy Carmody Manager Office of Airline Statistics K-25 Department of Transportation 400 Seventh St SW Washington DC 20590